1. I welcome this report following the inquiry of the Health and Social Care Committee. All of the seven recommendations made by the Committee are accepted and I am pleased they reflect current Welsh Government policies for community pharmacy. The Committee acknowledges in their report, this inquiry has been the longest to complete in their first year. I would like to thank members for their thoughtful approach during this process. There has been a tremendous amount of evidence to sift through and analyse, some of it conflicting, a reflection I believe, of the complexities of this agenda.

2. I have stated on several occasions, community pharmacy can make an even greater contribution to the health agenda and welcome the fact the majority of the evidence reviewed and the Committee's report supports this position.

3. In accepting the Committee's recommendations, I am pleased to indicate the issues identified are ones I have been keen to progress and I am pleased there is a common understanding.

4. A key theme picked up by the Committee is the need for closer collaboration between health professionals and, in particular, between GPs and community pharmacists. We will do all we can to improve working relationships. I agree entirely with the Committee's conclusion the responsibility for achieving collaboration through mutual understanding and respect lies with the professions and Local Health Boards (LHBs). A patient centred health care system delivered close to patients homes will rely on a strong primary and community care team, working together. I look to LHBs to deliver that.

5. I very much welcome the comments in the report regarding the importance of producing evidence to demonstrate the effectiveness and cost effectiveness of new community pharmacy services. I am pleased we have common understanding on this important aspect of our agenda. The Welsh Government’s approach to the whole medicines management agenda is one based upon evidence of cost-effectiveness. This is why we are taking a measured approach to the introduction of a common ailment scheme with independent evaluation built in from the very beginning. In my evidence, I also advised the Discharge Medicines Review service, introduced in November 2011, will be subject to evaluation and only continued subject to demonstration of patient benefit. Similarly, I also advised I would closely monitor the contribution of the targeted Medicines Use Review service to patient care. I expect community pharmacy to participate fully in delivering these services and contribute data on interventions and outcomes in order to demonstrate patient benefit. Both the new All
Wales Pharmacy Database and the National Electronic Claim and Audit Form will support the collection of evidence of effectiveness.

6. I too shared the concern of the Committee regarding LHBs who claimed they had insufficient funding to commission enhanced services. In my evidence I outlined the budget supporting the community pharmacy framework had increased from £96m in 2005 to £145m in 2011-12; representing a 51% increase. This included an additional recurrent £2.76m to meet any additional costs associated with the implementation of services including the national enhanced services for emergency hormonal contraception, smoking cessation, supervised consumption and needle exchange. This was made explicit in LHB allocation letters. For 2012-13, an additional £3.6m has been made available to LHBs for the Discharge Medicines Review service.

7. During this year, my officials will be holding discussions with LHBs to support the progression of community pharmacy services locally. This will include discussions on the planning of community pharmacy services, the use of any further monies derived from reductions in the price of generic medicines (“Category M monies”) and performance monitoring and management arrangements.

8. I also note the propositions in the report regarding the contractual framework. The current contractual arrangements across England and Wales work well and officials have worked hard to secure an effective working relationship with Department of Health officials. It would not be logical for Welsh Government officials to sit at the negotiating table during discussions on new services in England. We would not be comfortable with Department of Health officials sitting around our negotiating table with Community Pharmacy Wales discussing Welsh issues and priorities. My officials participate in detailed discussions with the Department of Health on issues of mutual interest where there is common interest. The current system is flexible enough to allow separate discussions on, for example, service development matters.

9. The 2011 contractual settlement demonstrates this flexibility effectively with a step change in the way we will fund community pharmacy services. For example, the strengthened focus on clinical governance and the introduction of targeted Medicines Use Reviews and the new Discharge Medicines Reviews. This year also sees us working with Community Pharmacy Wales, GPs, LHBs and other key stakeholders on the development of the common ailments scheme and the influenza vaccination programme. I believe, as do many of the respondents to the Committees’ inquiry, the framework we have can provide for a comprehensive community pharmacy service integrated with the rest of the health care sector and, in particular, with primary care.

10. In light of the above and in the context of the current financial climate, I remain to be convinced there is a strong enough case to overhaul the existing England and Wales arrangements and replace it with a Wales
specific contract. We will, however, keep this arrangement under close scrutiny. If evidence emerges it no longer serves the people of Wales, the appropriate action will be taken.

11. In relation to contractual arrangements, I noted with interest the views from some respondents to the Committee, regarding the need to have greater synergy between primary care contracts and in particular between community pharmacy and GP contracts. Although the GP contract is UK wide, there is flexibility to negotiate enhanced services at the Wales level. We will explore how greater synergy, particularly between the community pharmacy and GP contracts, can contribute to a strengthened primary and community care service. I also note the Committee were unable to determine the extent to which the lack of synergy related to contractual issues or the tensions between the professions. My view is the latter and I have already responded on that point at paragraph 4 above.

12. Workforce development is integral to delivering high quality effective services. Our new workforce and organisational development framework, “Together for Health – Working Differently – Working Together” is designed to support the development of the right staffing model to underpin a fully integrated healthcare system. Education, training and continuing professional development is an essential component to help us achieve the vision set out in Together for Health and my officials have commissioned the National Leadership and Innovation Agency for Healthcare to undertake a review of the pharmacy workforce in Wales. We currently invest £4.3m in educating and training pharmacists and I am clear we must also have a standardised approach to accreditation of community pharmacy services to support a national integrated health service. I was therefore pleased with the Committee’s proposition that we continue our work in this area.

13. I have set out below my responses to the Committee’s recommendations:

**Recommendation 1**

| The Welsh Government improves the communication mechanisms it uses to inform the general public about the services available at any individual community pharmacy. To this end, we recommend that the Welsh Government makes it an obligation for all community pharmacies to place a prominent notice in their premises identifying the range of services available in that pharmacy |

**Response: Accept.**

The community pharmacy contractual framework already places an obligation upon community pharmacists to provide information to the general public on the NHS services that are provided. We need to work with contractors to
strengthen these arrangements. The introduction of the Common Ailments Scheme will present a clear opportunity to signpost the availability of this, and other services using a terminology and format that can be readily identified by all potential service users.

**Financial Implications**

The design and print costs to promote community pharmacy services of approximately £30k will be funded from the new monies made available for 2012-13 – 2014-15 to support the introduction of a common ailments scheme across Wales.

**Recommendation 2**

The Welsh Government provides a clear national lead for the future development of community pharmacy services to ensure that the necessary policies and structures are in place to secure its delivery. This should include nationally agreed priorities for the service and a centrally driven direction for its development.

**Response: Accept.**

The Community Pharmacy Contractual Framework sets out the priorities on an annual basis for community pharmacy NHS services and has provided the mechanism to introduce a range of new services aimed at supporting Local Health Boards to maximise the distinctive contribution that community pharmacists can make to the health agenda.

All of the priority services described in the Framework are developed nationally, i.e., centrally and underpinned by national service specifications with remuneration rates also negotiated and agreed at the national level. The required level of service for the two advanced services, Discharge Medicines Review and Medicines Use Review are set nationally. The Emergency Hormonal Contraception Service is a national enhanced service that the Welsh Government expects to be available in the majority of community pharmacies across Wales. The remaining enhanced services such as smoking cessation, needle exchange and substance misuse were enshrined in the 2005 Framework; LHBs are expected to commission these on the basis of a robust assessment of the needs of their local population and utilise community pharmacy where they are identified as the most appropriate provider.

One of the key aims of our Programme for Government and Together for Health, the 5 year strategic vision for health services in Wales, is to provide appropriate health services closer to patients’ homes with primary and community services at the centre of this delivery. In the autumn, we will be issuing Together for Health: A Primary and Community Care Delivery Plan. This will outline how we intend to integrate pharmaceutical services within the context of strengthening primary and community care services. We also
intend to introduce a series of annual meetings between officials and LHBs to ensure developments progress in line with our mutual expectations.

Financial Implications

Since 2005, the Welsh Government have consistently made significant investment to support the development of community pharmacy services. The detail of this investment was provided in my evidence to the Committee in January 2011. In addition to the 51% increase in funding the Welsh Government have provided by consistent year on year investment since 2005, I have also agreed an uplift of 5% on the 2011-12 budget for the community pharmacy contract. Any further costs will need to be contained within the overall budget allocation for health.

Recommendation 3

The Committee recommends that the Welsh Government should take the opportunity afforded by the recently announced national minor ailments scheme to consider changes to the way in which community pharmacies are remunerated, including a transition to capitation-based payments, underpinned by a patient registration system.

Response: Accept.

During my attendance at Committee on 11 January 2012, I advised we were seeking to use the establishment of the common ailments scheme as a mechanism to test and introduce patient registration and capitation based payments. It is important we take a measured approach to capitation based payment to maintain a stable financial environment for our community pharmacy contractors. I am also keen that while exploring capitation based payments, we achieve a better balance between outputs and outcomes and place more emphasis on improvements in health, patient care and support for carers.

Financial Implications

The cost implications of patient registration have been estimated and included in the revenue allocations that I have agreed to support the establishment of a common ailments scheme in Wales. The capital cost requirements are being developed.
Rec
ommendation 4

The Welsh Government promotes further enhanced services with a national specification for community pharmacy, including a national Chronic Conditions Service, and follows the incremental model proposed for the introduction of the National Minor Ailments Scheme to ensure robust monitoring, evaluation and improvement of services. The Committee recommends that where there are clearly national health conditions, the service should be nationally specified, but that some continuing scope should be allowed for the volume and location of such services to be determined locally.

Response: Accept.

Since 2010, we have been moving to national service specifications for the most commonly provided enhanced services. There is a national specification for the Emergency Hormonal Contraception Service and national specifications for smoking cessation, supervised consumption and needle exchange services are due to be introduced in 2012. A national specification is also being developed for the influenza vaccination to support the delivery of this service in community pharmacies this coming winter; the aim is to increase our take up rates closer to the World Health Organisation’s recommended levels for “at risk” groups.

I very much welcome the Committee’s endorsement of our policies that place the responsibility for planning and establishing services firmly with LHBs who have the statutory responsibility for planning and organising local health care. However, I do wish to strengthen the local planning of pharmaceutical services to meet identified needs; I intend to do this through the new Together for Health – Primary and Community Care Plan which we will publish in autumn 2012 (my response to recommendation 2 refers). This will provide LHBs with greater clarity on the enhanced services I expect to see being planned and delivered following a needs based assessment, using nationally developed service specifications and remuneration rates. This will be underpinned further, through the introduction of legislation to make pharmaceutical needs assessment the basis upon which LHBs determine applications to open new pharmacies. I advised the committee of this intention in my written evidence.

In relation to the part of the recommendation relating to introducing a national chronic conditions service; our focus at the moment needs to be on establishing the common ailments scheme and embedding the targeted Medicines Use Review and new Discharge Medicines Review services. However, the Medicines Use Review service specification does require pharmacists to undertake half of all reviews with patients in nationally specified target groups which include patients who suffer from hypertension or respiratory illness. The two most frequently reported conditions in Wales¹.

In addition, we are looking at the role of community pharmacy in supporting our Programme for Government commitment to deliver the 50+ health checks.

Financial Implications

None – all activity, with the exception of a new chronic conditions service, is already supported by Welsh Government funding to support the delivery of community pharmacy services. A chronic conditions service has not been costed but would require additional funding to deliver the service.

Recommendation 5

The Committee recommends the consistent participation of community pharmacies across Wales is secured for the next round of public health campaigns, whether national or local. Close monitoring of community pharmacy’s participation is required by Local Health Boards to ensure that those failing to deliver on their contractual obligations are called to account for their non-compliance.

Response: Accept.

I am keen to see community pharmacies play their full part in public health campaigns and deliver their obligations to provide advice on lifestyle and public health issues on an opportunistic and structured basis. This function is a key part of the contract framework. During the coming year, we will be meeting LHBs (see my response to recommendation 2) to discuss the full range of community pharmacy services and in particular, we will be focusing on the performance management arrangements of LHBs. I will also be looking to Community Pharmacy Wales to encourage all their members to contribute to the agreed public health programmes and ensure interventions and outcomes are recorded appropriately and submitted in a timely manner.

Financial Implications

None. The public health function of community pharmacy is embedded in the contract framework as an essential service and is already funded.

Recommendation 6

The Committee recommends that the Welsh Government and Local Health Boards prioritise taking proactive action to address issues of cooperation and joint working between community pharmacists and GPs, both in rural and urban areas. We believe that better leadership from within the professions in this context is vital to securing the stronger relationships between key health professionals which are needed for the successful integration of community pharmacy services and the delivery of the Government’s ambitions for primary care in Wales.

Response: Accept
I believe it is Government’s job to set the framework, the strategic direction and goals for the NHS. A collaborative approach to primary and community care is the cornerstone of our vision for the NHS outlined in Together for Health with patients at the centre. In the context of this recommendation, we have a role to play in supporting health professionals to work together and recognise and value the unique contribution that each can make to the agenda, for the benefit of the patient. For example, we adopt a multi-disciplinary approach to the development of policies such as establishing the Common Ailments Scheme and the participation of Community Pharmacists in the influenza vaccination programme for this coming winter. But ultimately, it is the responsibility of the LHBs and the professions to work together to ensure they make the best use of appropriate skills and resources; the latter a particularly important aspect in the prevailing economic climate. We will be looking to the LHBs to establish and facilitate joint locality groups that encompass a range of primary and community health professionals to develop and improve services. I am heartened to note that in response to your report I have received a very positive and supportive response from the Royal Pharmaceutical Society in Wales who intend to work on this agenda and minimise inter-professional barriers.

Financial Implications

None.

Recommendation 7

The Committee recommends access by community pharmacists to summary patient records where patients are registered with a community pharmacy.

Response: Accept

The establishment of the common minor ailments scheme provides the ideal opportunity to introduce a patient registration service which I intend to use. The Committee’s report notes that the key barrier to exchanging essential information on patients between health professionals is a professional one. The long term goal has to be an individual patient record shared appropriately with health and social care professionals.

Financial Implications

Yes. There will be significant cost implications to develop the existing systems to enable a sharing of information between hospital settings, GPs and community pharmacy. These are being developed and will need to be contained within the overall budget allocations for health.